

Executive Officer and Director Compensation Survey June 30, 1998

In 1998, 168 out of 306 banks participated in the Executive Officer and Director Compensation Survey, a participation rate of 54.9 percent, which represents an increase of 10.3 percent from 1997. This year, signing bonus paid was added as a new category.

Chief Executive Officer

Changes among median CEO salaries over the past three years were mixed. Salaries were down in the Over \$1 billion and \$250 to \$499 million asset categories, by 14.5 and 7.9 percent, respectively. Salaries in the \$500 to \$999 million and \$50 to \$99 million group showed increases of 4.2 percent and 2.7 percent respectively, while changes of less than one percent were seen in the Under \$50 million and \$100 to \$249 million categories.

Chief Financial Officer

There was little to no change from 1995 median CFO salary levels at the smaller banks. Salaries were down slightly more than one percentage point in the Under \$50 million and \$50 to \$99 million asset categories, and up 2.6 percent in the \$100 to \$249 million categories. Salaries were down 20.1 percent in the \$250 million to \$499 million group and down 18.6 percent in the Over \$1 billion group. Salaries in the \$500 to \$999 million group were up 20.4 percent from 1995 levels.

Senior Loan Officer

Median salaries showed strong increases over the past three years at the smallest and largest banks. Salaries in the Under \$50 million asset category were up 17.9 percent. In the \$50 - \$99 million group salaries were up 10.2 percent; in the \$100 million to \$249 million group they were up 11 percent and in the Over \$1 billion group salaries were up 16 percent. Decreases were seen in the \$250 to \$499 million and \$500 to \$999 million group of 11.4 percent in the latter group and 4 percent in the former.

Possible factors influencing salary changes are local and national economic conditions, position turnover and changes in the makeup of the asset size group population.

DIRECTORS' INFORMATION

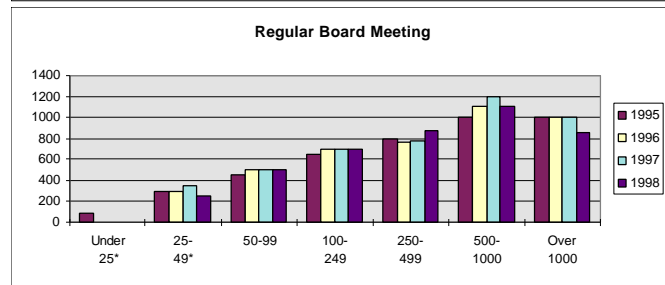
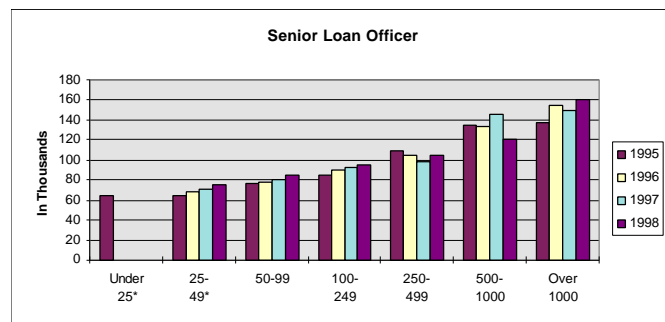
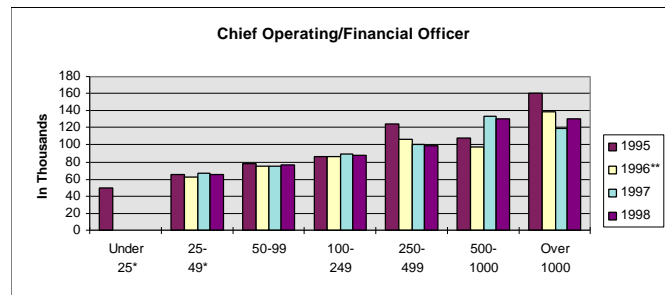
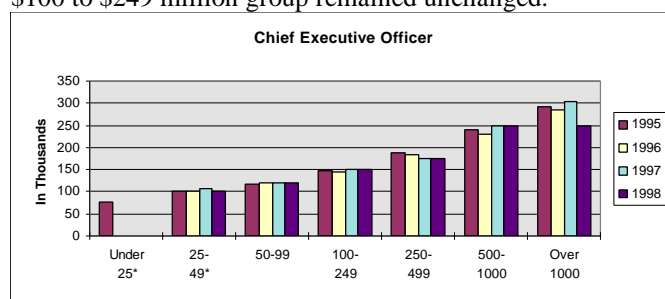
Regular Board Meeting

Median regular board meeting fees were up from 1995 levels in all but the smallest and largest bank asset categories. Banks in the \$50 to \$99 million asset category were up 11.1 percent. There was an increase of 10 percent among banks in the \$500 million to \$1 billion category. In the other asset

categories increases were 9.4 percent for banks in the \$250-\$499 million asset category and 7.7 percent in the \$100-\$249 million asset size group. The largest and smallest groups were down 16.7 percent in the Under \$50 million asset size group and down 15 percent in the Over \$1 Billion category.

Special Board Meeting

Median fees for special board meetings increased 25 percent from 1995 levels in the \$250 - \$499 million asset size group, and 9.1 percent in the \$50 - \$99 million category. Sharp declines were seen in the \$500 to \$999 million group, which were off 62.5 percent and the Under \$50 million group which decreased 40 percent. A decrease of 20 percent was registered in the Over \$1 billion category, while fees in the \$100 to \$249 million group remained unchanged.



Board Committee Meetings

Median fees in this category showed an increase over 1994 levels of in the \$100 - \$249 million asset category of 25 percent, going from \$200 to \$250. In the \$500 - \$999 million group median fees were up 45 percent. In the \$50 to \$99 million group median fees were down by a third, from \$150 to \$100 and down 55 percent in the Over \$1 billion group, going from \$450 to \$200. Fees in the other groups were unchanged.

Annual Retainer

Median annual retainers increased 17.7 percent for banks in the \$500 million to \$1 billion asset size group. An increase of 1 percent was registered in the Over \$1 billion category. Median fees in the other groups were down: The \$250 to \$499 million group was off 67.5 percent, while the \$100 to \$249 million group was down 33.3 percent. Fees in the Under \$50 million group were down 18.8 percent, while the \$50 - \$99 million group was off 13.8 percent.

REGIONAL DATA

Median CEO salaries in Region II, (Bay Area) led the state, regaining the lead from Region III (LA/Orange) which came in second in that category,. Region III topped the CFO category while tying Region II in the SLO category. Region IV (Southern California exclusive of Los Angeles and Orange Counties) moved up from fourth to third in the CFO category, and retained its third place position in the SLO category, while trailing the rest of the state in the CEO category. Again in 1998, Region I (Northern California exclusive of the Bay Area) was third in the CEO category, while dropping to fourth in the CFO and SLO categories.

We express our appreciation to the participating banks and hope that this information will prove useful.

WALTER J. MIX III

Commissioner of Financial Institutions

By

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October, 1998

Notes:

* Categories combined into Under 50 Million as of 6/30/96

** Category redefined from Chief Operating to Chief Financial Officer as of 6/30/96

